

CHAPTER 5: ECONOMIC DEVELOPMENT

Overview

A driving force behind the Comprehensive Plan is a commitment to maintain a strong and growing economic base in Chesterfield County. New and existing business and industrial development, as recommended on The Land Use Plan, provides diverse employment opportunities and revenue, and is vitally important in providing the types of services that promote a high quality of life in the county.

BUSINESS ADVANTAGES

Chesterfield County is ideally located in the mid-Atlantic region of the United States. The county's location puts local businesses within a one-day travel time for transporting raw materials and finished goods to 50 percent of the U.S. population, 50 percent of the nation's manufacturing operations, and 60 percent of the corporate headquarters in the country through easy access to Interstates 64, 85, 95 and 295.

Low to moderate costs of utility services makes the county attractive to business. Electric power is inexpensive by national standards, water is plentiful, and natural gas prices are competitive. Major utility companies provide electric power and natural gas. Water and wastewater services are provided by Chesterfield County. Private companies operating modern, state-of-the-art facilities provide solid waste services. In addition, the county has state-of-the-art cable, wireless and broadband services.



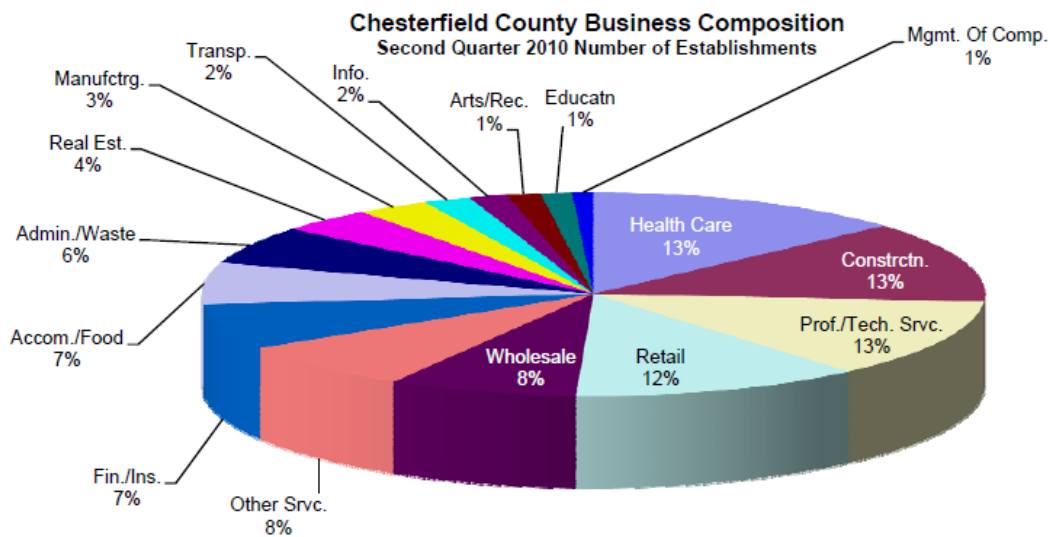
The county is also home to a general aviation airport that functions as a reliever to Richmond International Airport. The airport provides tax advantages to manufacturing companies needing corporate hanger space.

Norfolk Southern and CSX, provide freight and passenger rail services to county residents and businesses. Amtrak maintains a passenger rail station in Ettrick, which presents future economic development opportunities for this area of the county.

The Port of Richmond is located off of Interstate 95 adjacent to the county and provides limited shipping facilities. The Port of Virginia in the Hampton Roads area is one of the largest container ports on the East Coast and is accessible to local businesses.

Fort Lee, home of the combined arms support command located south of the county, is undergoing expansion, and bringing support businesses to the county. Further, the Commonwealth Center for Advanced Manufacturing (CCAM), a 60,000 square foot applied research center also located to the south of the county, is staffed by 150 researchers and engineering students developing and accelerating new manufacturing technologies.

The local economy is characterized by a strong industrial base and diversified economic structure. Forty internationally owned companies, representing twelve countries, have operations in the county. The county is centrally located in one of Virginia's major manufacturing areas, and a wide variety of industries, large and small, is located here. Tourism, especially sports tourism, is becoming a major economic driver. With historic assets like Henricus Historical Park and world-class sports venues like the Collegiate School Aquatic Center, the hospitality and tourism industry is poised for significant growth.



WORKFORCE

The county is also a major supplier of the more than half-million-person workforce in the Richmond region. Prevailing wage levels are moderate, and ancillary employment costs such as workers' compensation and unemployment insurance are among the lowest in the nation.

EDUCATION & TRAINING

Chesterfield area employees have above-average levels of education and skill, and work in business-friendly environments rich with training opportunities. Close ties between local businesses and industries and our institutions of higher education, Virginia State University and John Tyler Community College, assist in tailoring educational programs and curriculum to area employers' needs. Accessibility to other area colleges and universities to include Virginia Commonwealth University, College of William and Mary, University of Virginia and J. Sargeant Reynolds Community College further promotes a lifetime of learning and continuous improvement for all students and employees.

Chesterfield County has the largest school system in the Richmond Metropolitan Area and has established innovative programs to serve an increasingly diverse student body. Several progressive measures have been taken to improve and enhance the standard school curricula. These include reading specialists in every school, gifted-and-talented programs, intensive modern language courses, and advanced levels in science and mathematics.

Specialty centers at each high school provide new and innovative choices for students and families within the public school setting. In addition to the Mathematics and Science High School, the International Baccalaureate program is offered at two schools. Other specialty centers focus on visual and performing arts, health science, mass communications, engineering, technology, international relations and foreign language immersion.

AAA BOND RATING

Chesterfield County is one of fewer than 25 counties in the nation to hold AAA ratings from all three major bond-rating agencies. Consistently improving bond ratings allow the county's general obligation bonds to trade at AAA rates. This status reflects exceptional management of financial operations and conservative fiscal policies.

Prime Economic Development Opportunity Sites

The relationship between land use and economic development is extremely important to the future financial stability of Chesterfield County. Identifying Prime Economic Development Opportunity Sites throughout the county provides valuable insight for physical and financial aspects of comprehensive planning. Preservation of Prime Economic Development Opportunity Sites is critical to preserving balanced growth in Chesterfield County. These sites represent a sizeable opportunity for significant commercial development because of location, size, transportation and utility infrastructure.

American Tobacco/Keck Site

This 353-acre site is located in the southern portion of Chesterfield County. This site offers substantial power and water/sewer capabilities. The new interchange at Interstate 295 provides easy access to the Port of Virginia and Richmond International Airport. Rail access is feasible at this site. The property is well suited for heavier manufacturing uses.

Ashton Creek Business Center

Ashton Creek is a 350-acre site located one mile off Interstate 95 and is zoned industrial. This site could accommodate a million-square-foot facility, or be a home to a smaller manufacturer or industrial user. All utilities infrastructure is available to the site and there is a possibility for riverfront views. Ashton Creek is also in the Walthall Enterprise Zone and affords the user a wide range of local and state benefits.

CenterPointe

CenterPointe is an 800-acre mixed used development located in southwest Chesterfield County at the intersections of the Powhite Parkway and the Route 288 and Lucks Lane Interchange. Route 288 provides outstanding access to the entire metropolitan area, and CenterPointe has easy access to the Route 60 (Midlothian Turnpike) and Route 360 (Hull Street Road) retail/service corridors. Abundant housing in a variety of price ranges is located within a short distance from CenterPointe, including the planned communities of Brandermill, Woodlake, Hampton Park, Evergreen, The Grove, Queensmill, Walton Park and Charter Colony. CenterPointe is well suited for office, corporate headquarters and medical uses.

James River Industrial Center

James River Industrial Center, located east of Interstate 95 at the Willis Road Interchange is the county's premier heavy industrial site. The 650-acre site has excellent transportation and utilities infrastructure. Barge access is feasible along the James River and rail access is available on-site. This site is excellent for heavy power and water users and is zoned for heavy industrial uses. Manufacturers that need to move product by rail or barge would be ideal for this location.

Meadowville Technology Park

Meadowville Technology Park (MTP) is a 1,300-acre industrial development located in Chesterfield County. For businesses seeking a profitable and stable environment in which to operate, MTP is a superb location. MTP is an attractive site for a wide range of businesses such as headquarters, distribution, information technology, office and research and development. It is especially well suited to serve water-intensive users such as pharmaceutical and semiconductor manufacturers.

MTP provides a unique opportunity for major industrial clients to share one of the county's most majestic and beautiful resources. The Meadowville site borders the James River for approximately 6,000 feet southeast of the Interstate 295 Varina-Enon Bridge. The property's river frontage contains steep overlooks that provide spectacular views of the river, bridge and surrounding property.

The site also borders Interstate 295 for approximately 2.5 miles, and includes a new interchange into the heart of the park. Chesterfield County has completed the zoning, environmental and utility infrastructure studies that are necessary for potential industrial users to evaluate this site. Chesterfield has also constructed phase one of the utility infrastructure necessary to serve the property.

Roseland

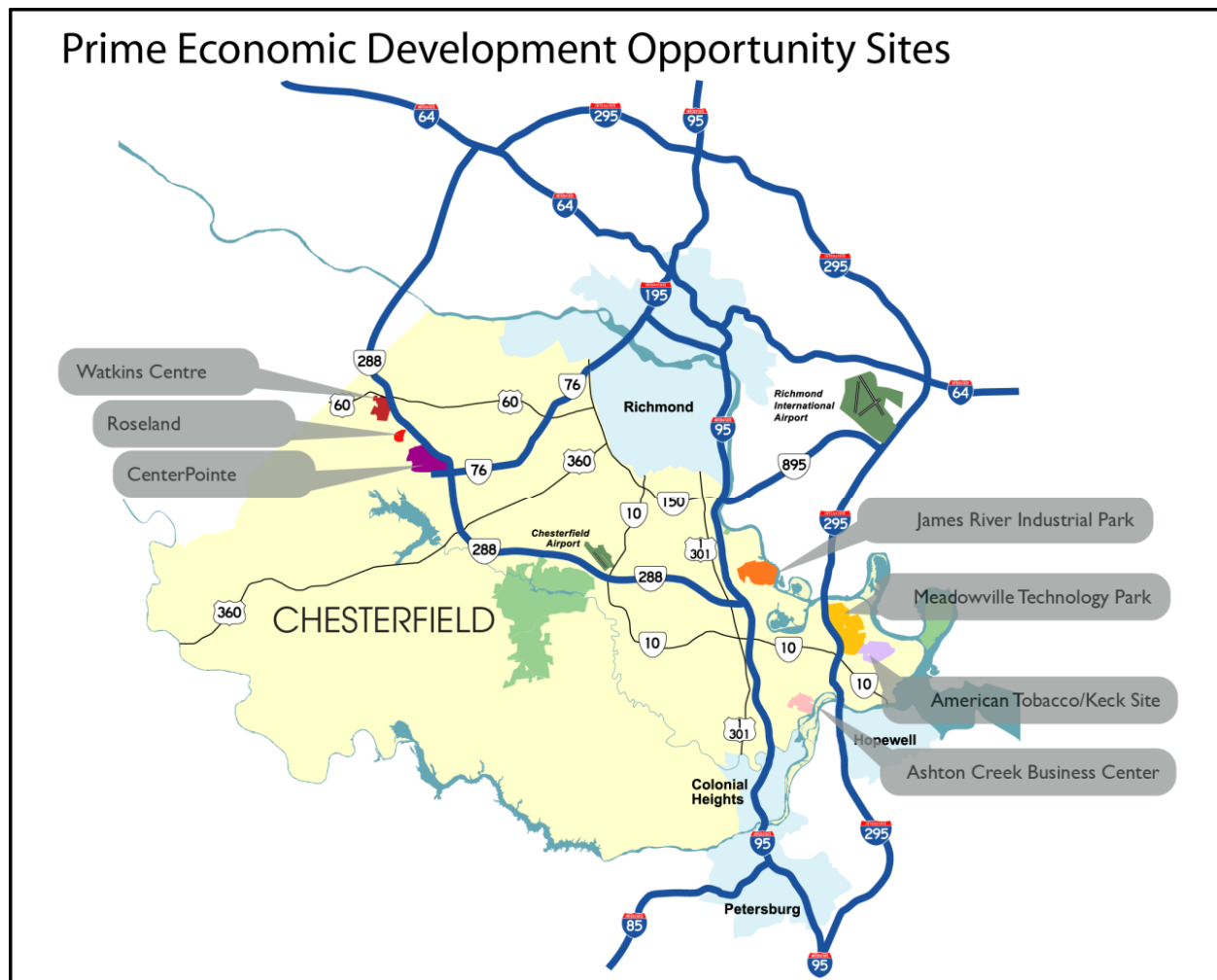
This 1,395 acre mixed use development is located between CenterPointe and the Watkins Centre. Of the proposed development, approximately 170 acres at the interchange of Woolridge Road and Route 288 is zoned for office, commercial and industrial uses. With the extension of Woolridge Road, this area is attractive for corporate headquarters, light industrial and commercial uses.

Watkins Centre

Watkins Centre is the highest point in western Richmond and capitalizes on the area's existing topography and natural features to create an integrated development.

Strategically located at the interchange of Route 288 and Midlothian Turnpike in western Chesterfield County, Watkins Centre is a critical component of the economic engine that will drive the Richmond metropolitan region.

Encompassing approximately 625 acres of total land area between four quadrants of the Route 288 interchange, Watkins Centre is positioned to become Richmond's premier business and lifestyle address. The mixed-use development is primarily dedicated to commercial uses, including office, headquarters, research and development, medical, retail and light industrial.



ENHANCEMENTS TO PRIME ECONOMIC DEVELOPMENT OPPORTUNITY SITES

To fulfill the long-range development potential of these sites, the following strategies should be considered as part of the planning process:

- Provisions to re-install rail access to the American Tobacco/Keck site.
- Construction of an interchange at Powhite and Charter Colony Parkways to improve access for the CenterPointe area.
- Installation of a full cloverleaf interchange at Willis Road and Interstate 95 to improve access to the James River Industrial Center.
- Installation of a full cloverleaf interchange at Interstate 295 and Meadowville Technology Parkway to improve access to Meadowville Technology Park.
- Extension of county water and sewer to the southern drainage area of Watkins Centre.

Other Economic Development Opportunity Sites

The Land Use Plan Map identifies areas appropriate for commercial and industrial development. Some of these locations have the potential to accommodate significant future business development. Although these areas have development potential, one or more items need to be addressed before they can be considered as “ready-to-go”. These areas may require rezoning and/or infrastructure improvements:

Branders Bridge Road Area

This property is strategically located in proximity to the Interstate 95 and Woods Edge Road interchange. Potential exists for a new limited access road, the East-West Freeway that would further enhance accessibility to Interstate 95. The Land Use Plan recommends most of the property for Corporate Office/Research and Development/Light Industrial with a Regional Mixed Use center along the East-West Freeway.

Western Route 360/Powhite Parkway Extension

The planned extension of the Powhite Parkway and Woolridge Road makes this area a good potential location for corporate headquarters, light industrial and commercial uses.

Courthouse Road/Belmont Road/Whitepine Road Area

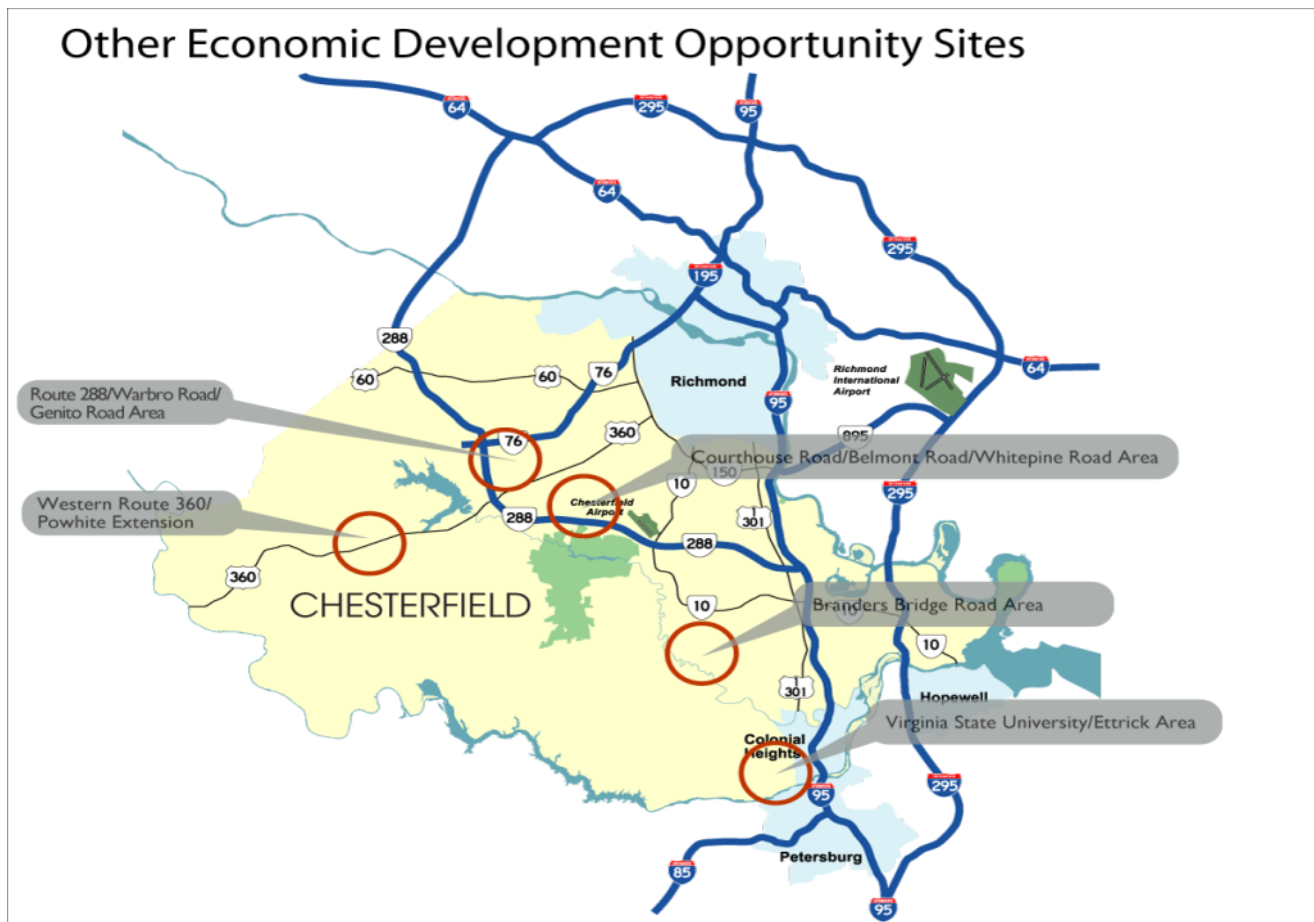
Adjacent to the Chesterfield County Airport and the Chesterfield Airport Industrial Park, this area provides easy access to Route 288. Zoning is in place for a portion of this area that can accommodate light industrial and some general commercial uses.

Virginia State University/Ettrick Area

With the planned expansion of Virginia State University, Ettrick and the surrounding area has potential for increased retail, commercial, and/or mixed-use development providing services to the University community. With the proposed expansion of passenger rail service and high-speed rail, Ettrick Station is poised for development.

Route 288/Warbro Road/Genito Road Area

Adjacent to Oak Lake Business Park, and Clover Hill Industrial Park, this area is a potential location for heavier industrial users. Some parcels in the area are already zoned for industrial uses.



Opportunity Zones

ENTERPRISE ZONES

Enterprise Zones are distinct geographic areas of the county, designated by the Governor of Virginia, with the specific goal of encouraging business location and expansion in these selected areas of the state. Enterprise Zones are allotted a designated amount of acreage. Sub zones can be created if additional acreage is available within a primary zone. These sub zones are not required to be contiguous to the boundaries of the primary zone. Chesterfield County has two primary Enterprise Zones with the residual acreage allotted to three Subzones.

The county's Enterprise Zones and Subzones are:

Jefferson Davis Corridor Primary Enterprise Zone (3,972 acres)

This primary zone, designated in 1994, is located along U.S. Route 1/301 from the City of Richmond to the intersection of Route 10. The zone is conveniently located to Interstate 95, Chippenham Parkway and Route 288 and CSX rail, all which transverse the zone. Its close proximity to the Port of Richmond provides additional development opportunities. A significant amount of industrially zoned land lies within the Jefferson Davis Enterprise Zone boundary. This important corridor has excellent transportation infrastructure, ample water and wastewater capacity, and abundant reliable power.

- Hull Street Road Subzone (48 acres)

This sub zone of the Jefferson Davis Enterprise zone is located along Hull Street Road from the City of Richmond to just west of Turner Road. This predominantly commercial and retail corridor has easy access to Chippenham Parkway and presents opportunities for business infill to support surrounding residential neighborhoods.

Walthall Primary Enterprise Zone (3,820 acres)

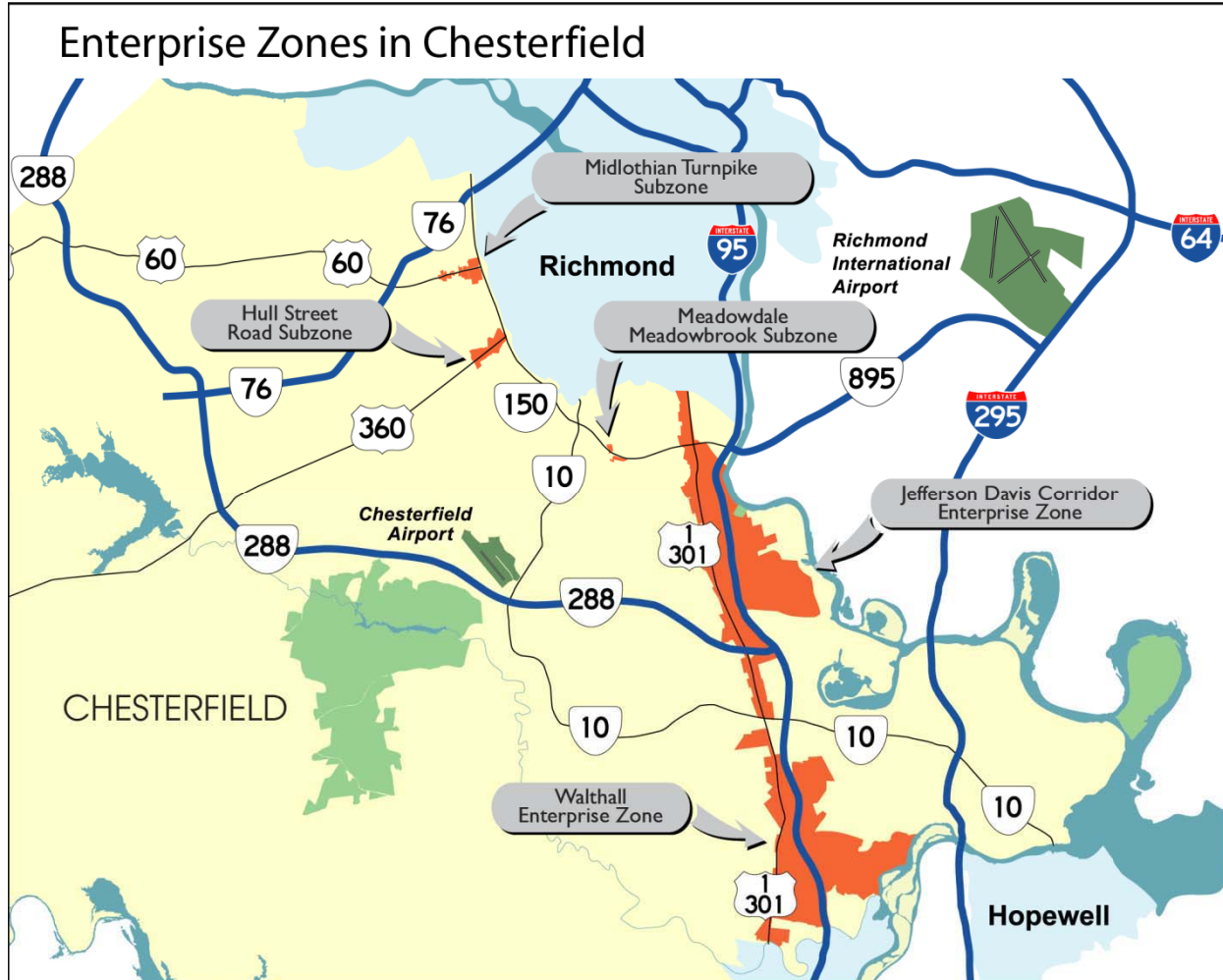
This primary zone is comprised of 3,451 acres and encompasses a large portion of industrially zoned land. The zone begins at Route 10 and continues south along Interstate 95 and Route 1/301 to the City of Colonial Heights. Ashton Creek, Ruffin Mill Industrial Center, The Enterchange at Walthall and Appomattox Industrial Center present significant development opportunities. With easy access to Interstates 95, 85 and 295, the Walthall Zone is ideal for warehouse and supply chain management companies as well as manufacturing that require "just in time" shipping such as food related industries.

- Midlothian Turnpike Subzone (311 acres)

This sub zone of the Walthall Enterprise Zone is located along Midlothian Turnpike from Chippenham Parkway west to Powhite Parkway. The county's partnership with a private developer to redevelop the former Cloverleaf Mall into a mixed-use development has been a catalyst for private sector development in this sub zone and presents significant infill opportunities.

- Meadowdale/Meadowbrook Subzone (58 acres)

This sub zone of the Walthall Enterprise Zone is located at the interchange of Chippenham Parkway and Hopkins Road. While this gateway shopping area experienced high vacancy rates in the past, its designation as an enterprise sub zone has spurred increased business investment and occupancy. This area presents a key business infill opportunity to support the residential communities in this corridor.



The Enterprise Zone Program has been very successful in facilitating reinvestment in Chesterfield County's Enterprise Zones. Since the county received Enterprise Zone designations, it is estimated that there has been over \$1.2 billion in new capital investment and over 10,000 net new jobs created in these targeted areas.

Businesses choosing to locate in these areas should meet the following objectives:

- Increase private investment and job creation.
- Encourage manufacturing and commercial uses.
- Promote rehabilitation of the area's existing older commercial and industrial structures.
- Promote the area's revitalization through increased economic activity.

ENTERPRISE ZONE INCENTIVES

Current state incentives include job creation grants of up to \$500 per year for each net new permanent full-time position earning at least 175 percent of the Federal minimum wage, and up to \$800 per year for each net new permanent full-time position earning at least 200 percent of the Federal minimum wage. State incentives also include a Real Property Investment Grant of up to \$200,000 based on investors who meet minimum Enterprise Zone real property investment thresholds.



Local incentives include fee waivers for site plan, building permits, zoning applications, land disturbance and sign permits; machinery and tools tax rebates; exemption from Business, Professional and Occupational License fees; utilities connection fee credits; and Real Estate tax abatements.

It should be noted that the state and local incentives are subject to change. The Department of Economic Development administers the county's Enterprise Zone Program and should be consulted to access Enterprise Zone incentives.

Enterprise Zone designation lasts 20 years. The Jefferson Davis Enterprise Zone is scheduled to expire in 2013 and the Walthall Enterprise Zone is scheduled to expire in 2015. If they are not re-designated, these zones will be transitioned into Technology, Defense and Tourism Zones as appropriate, and will continue to offer a package of local incentives.

TECHNOLOGY ZONES, TOURISM ZONES AND DEFENSE ZONES

Technology Zones are defined geographic areas where the ***Code of Virginia*** allows localities to offer a package of local incentives to attract new investment. A Technology Zone can be designated by a resolution adopted by a local Board of Supervisors. There are no state benefits associated with this program. The locality defines the geographic boundary of the zone, the criteria for eligible businesses and the local benefits package.



Tourism Zones are defined geographic areas where the ***Code of Virginia*** allows localities to offer a package of local incentives to stimulate development related to hospitality and tourism. The state offers a Tourism Development Financing Program for projects locating in a designated Tourism Zone.

Defense Zones are defined geographic areas where the ***Code of Virginia*** allows localities to offer a package of local incentives to attract new investment by companies associated with homeland security and the defense industry. The ***Code of Virginia*** allows for special taxing classifications for machinery and equipment associated with these industry sectors.

The county is evaluating the geographic boundaries and local incentive packages for proposed zones and how the county can utilize these zones as tools for revitalization efforts and to attract businesses.

General Economic Development Guidelines

The General Economic Development Guidelines provide direction for development and land use decisions that expand the county's business foundation.

Major considerations used in the development of these guidelines include:

- ❖ Building upon a strong, growing and diverse economy.
- ❖ Protecting Economic Development Opportunity Sites.
- ❖ Encouraging the cost-effective distribution of economic resources throughout the county.
- ❖ Striving for a mix of employment industries that generates high-paying jobs.
- ❖ Promoting tourism in the county as an economic engine.
- ❖ Promoting unified business attraction and retention strategies.

The following General Economic Development Guidelines should be used when addressing specific business attraction and retention strategies and land use issues:

- **Economic Growth.** Promote economic development activities that attract, retain and expand commerce at all levels, from home-based businesses to large commercial concerns.
 - Strategically utilize incentives and financing to support existing businesses and keep them in Chesterfield County, as well to attract new businesses.
 - Increase the diversity of the county's economic base by promoting and supporting entrepreneurial and small business opportunities.
 - Promote business attraction and retention strategies that are complementary to both new and existing business.
 - Identify and preserve Economic Development Opportunity Sites for regional level growth and encourage the development of these sites for high tax revenue-generating uses.
 - Identify areas for employment-generating uses to insure new and growing job opportunities are available in communities throughout the county.
 - Promote the development of planned office centers, business and industrial parks and mixed use centers.
 - Support the viability, operational efficiency and productivity of the county's agricultural resources for current and future generations.
 - Promote economic development opportunities associated with the expansion of Virginia State University.

- **Revitalization.** Achieve a high quality of life by promoting public and private commitment to enhance, restore and sustain the quality and diversity of the county's existing business and industrial corridors.
 - Strategically use incentives and financing to support existing businesses and encourage investment in targeted revitalization areas.
 - Encourage the rehabilitation and reuse of underutilized or vacant properties.
 - Invest in public facilities and infrastructure that support economic development efforts in targeted revitalization areas.
 - Pursue cooperative relationships with community-based, faith-based and non-profit organizations to enhance economic development in targeted revitalization areas.
- **Marketing and Communications.** Expand the tax base by promoting the county as a premier business location.
 - Work with regional marketing partners to market the county locally, nationally and internationally.
 - Market the county's key economic assets including the airport, road system, utilities and river access, as well as the specific operating advantages of the county's location in the region.
 - Promote awareness of the assets and diversity of the county's individual communities to attract highly skilled residents and support efforts to maintain the appeal of the county's communities.
 - Market the advantages of the resources and partnerships with higher educational institutions such as Virginia State University and John Tyler Community College.
- **Infrastructure.** Connect economic development opportunity sites and areas to countywide and regional transportation systems, including major thoroughfares, seaports, airports and railways.
 - Coordinate the provision of transportation and utility infrastructure in key economic development sites and revitalization areas.
 - Encourage industrial and commercial development in areas where utility capacity is available or underutilized.
 - Encourage a range of multi-modal transportation options that link businesses to their labor force, customers and adjacent communities.
 - Promote key interchanges such as those on Interstates 95 and 295, and Route 288 for office, industrial and commercial development.
 - Promote the economic development advantages of conventional and high speed rail through the county and develop specific strategies to take advantage of rail services for economic development promotion.
 - Encourage appropriate development within the Airport Industrial Park and surrounding areas that protects and promotes the use of the Chesterfield County Airport.
 - Encourage redevelopment of the Ettrick train station.

- Encourage expansion of broadband services throughout the county.
- Support a county park system that provides high quality recreation opportunities and enhances quality of life and attractiveness to businesses.
- **Tourism.** Promote the county's unique recreational, natural, cultural and historical resources as tourism assets.
 - Support tourism development and promotion, including the potential for agri-tourism such as wineries and farmers' markets in the county's rural areas and eco-tourism utilizing the county's park system and the Appomattox and James Rivers.
 - Promote private and public funding of arts and cultural programs, recognizing these as positive contributors to tourism efforts and a high quality of life for residents.
 - Utilize the county's unique historic, recreational, natural and cultural resources to promote tourism through events and programs that attract visitors from the region, state and beyond.
 - Support sports tourism through the development and enhancement of public and private recreation-related facilities that attract outside visitors, serve citizens and support local businesses.
- **Fiscal Responsibility.** Recognize the importance of planning for adequate and fiscally responsible funding for infrastructure investments that support business development.
 - Invest in public facilities and infrastructure that supports economic development efforts.
 - Use innovative financing structures, such as special assessment districts, to pay for needed public improvements.
 - Encourage the use of private-public partnerships such as Virginia's *Public Private Transportation Act* or Community Development Authorities to improve infrastructure.
 - Review and amend the Zoning Ordinance to accommodate targeted industries necessary for a strong and diverse economy.
 - Encourage diverse mixtures and forms of development to support the economic tax base of the county for current and future generations.
- **Collaboration.** Foster collaboration among federal, state, regional and local agencies and entities to promote mutually beneficial economic development opportunities.
 - Foster a cooperative relationship between the county government and the business community.
 - Promote organizational and regulatory changes to streamline the development review process and provide flexibility in development standards while continuing to ensure high quality development.
 - Partner with neighboring localities and regional organizations to promote tourism and economic development in the region.
 - Pursue cooperative relationships with community-based, faith-based and non-profit organizations to enhance economic development in the county.

- Collaborate closely with the region's academic institutions such as Virginia State University and John Tyler Community College as partners to leverage assets, provide research opportunities and to develop a workforce aligned with business needs.
- Establish a close partnership with the Economic Development Authority to market to and attract high-end and high-tech industries.
- Pursue partnerships with Chesterfield County Public Schools to promote the development of workforce skills that respond and adapt to the changing needs of the county's current and desired future businesses.
- Strengthen relationships with elected officials at the local, state and federal levels to promote economic development opportunities.
- Collaborate with other county departments such as Libraries and Parks & Recreation to develop programs that support business development.
- Pursue partnerships between food manufacturers and area farmers to encourage use of locally grown products in food production.